

## **NARRATING SOCIAL EUROPE** THE SEARCH FOR PROGRESS IN THE "AGE OF DELORS"

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#### **SUMMARY**

To what extent has the European Union rejected, adapted, or contained the neoliberal shift occurred after the "shock of the global" of the 1970s? Building on the historiographical debate on the European social model, this article discusses the significance of the Delors Commission within the framework of the Atlantic Community in the 1980s. It does so by addressing four main questions.

The first refers to the crisis of the model of the postwar mixed economy: how did Jacques Delors conceptualize it and how did he act on it? As President of the Commission, he relentlessly sustained a rich pedagogical effort aimed at informing and educating the public, French and European, mainly. How did he articulate his political, economic, social and institutional vision of Europe? The second concerns the significance of the transatlantic perspective: why is it relevant to investigate Delors Commission and particularly its commitment to the European Social Model? The third issue raised tackles instead the question of the inner tension between the seemingly unquenchable neoliberal turn and the ambition to provide a renewed and updated form of socially embedded capitalism. How and to what extent did the Delors Commission try to contain the neoliberal pressures of the 1980s? How relevant is the discourse, the narrative crafted to underpin the actions and policies enacted by Brussels? Finally, what is left of that endeavor? The fourth and last part of the article offers a reflection on the lesson for Europe in the current state of crisis.

The **European Social Model** is a contested and polysemous concept, scholars have variously wrestled with for decades, with no conclusive answer. Questions remain as **to what extent the European Community/Union has rejected, contained or mestizised the neoliberal shift of the 1980s.** And yet, the alleged existence of distinctive American and European varieties of capitalism has manifestly nurtured images and representations of a "divided West" after the collapse of the Bretton Woods System. The "Social nature" of Europe, ubiquitously opposed to the neo-liberal character of U.S. capitalism, has been the pillar of a long popular exceptionalist narrative that became hegemonic, in the EU and progressively worldwide, in the "age of Delors".

In my conclusions, I argue that the crucial significance of the European Social Model must be understood in this light: as the endeavor to forge consensus, build a sense of belonging, provide legitimacy to a political vision and its underneath discourse. Its value lies also in the European "narcissism": in the self-satisfied and proud identification with European values, however elusive their definition is. It lies in the mutual self-perceptions and representations that have shaped U.S. and European identities in an allegedly "divided West". As the research showed, the European Social Model resulted from a compromise between neoliberal pressures, the Social-democratic heritage and Christian social-thought. Neither always consistent nor effective, it has long been the target of detractors from the Left and the Right alike. But if Delors failed to deliver on the promise of building a just Europe in absolute terms, the research highlights that he nonetheless succeeded in crafting an "uplifting tale" for the old continent that mobilized idealism and transcended the material. His was a deliberate and conscious effort of identity (i.e.: EU) - building. His intellectual construction contributed to draw the boundaries of Europe's distinctiveness and turn the imagined Europe into a project for the modern future: Europeans may not be living in a superior, egalitarian, cohesive and morally commendable society, but they are bound by a mission to move towards it. This is what defines them, he claimed, as a "civilization". As the intellectual debate of the early 2000s reveals, overtime, his "moral narrative" has proved perhaps more pervasive than his political achievements.

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This research was generously funded by the Institut Delors. I wish to thank the Director Yves Bertoncini as well as Claire David, Sofia Fernandes and Claire Versini for their invaluable support. Discussing my findings with Günter Burghardt, Michele Di Donato, Gilles Grin, Pascal Lamy and Bernadette Ségol helped my understanding of the Delors years. I also want to thank Piers Ludlow, Mary Nolan, Daniel Rodgers, Federico Romero, Laurent Warlouzet and Jakob Vogel: their thorough reading and suggestions substantially improved this article.

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#### **INTRODUCTION**

n February 2005, the New York Review of Books published a provocative commentary titled "Europe vs America". The article discussed the recent publications by T.R. Reid, Jeremy Rifkin and Timothy Garton Ash. None of the three books received much praise but all were credited for offering timely contribution to the crucial debate on the fortunes and perils of the "European model". The review's author was the British historian and public commentator Tony Judt who, a few months later, would publish his famous 900page history of postwar Europe, which further engaged with the concept<sup>2</sup>. While dismissing as absurd the teleological understanding of European integration and initially eschewing a language of celebration and hyperboles, Judt used the review to advance his own positive reflection on the peculiarity of the EU project enriching the ever expanding body of literature on the subject<sup>3</sup>. Veritably, the discussion on the NRYB epitomized the soaring interest in the European way of life often set against the eclipsing allure of the American alternative. Reckoning the unassailable success of the European Union, scholars and commentators like Ulrich Beck, Jürgen Habermas, Jacques Derrida, and Steven Hill would insist on the exceptional virtues of the EU, transfigured into a standard-bearer of peace and social justice. The uniqueness of the European model rested on a set of specific features: prosperous post-national development; transformative conception and management of international law and global cooperation; a peculiar sense of how to balance social rights, civic solidarity and collective responsibility. It also rested, ubiquitously and mostly implicitly, on the opposition to the neoliberal model epitomized by the United States. The corollary was that Europe could stand as a beacon of economic, social, environmental progress to the rest of the world. So much so, that the 21st century might have been the "New European Century"<sup>4</sup>. Analyses differed in tone, level of sophistication, accuracy, and acumen. But clearly, they all pivoted on the notion of an existing progressive, and emulable, "European social model" (ESM). The social attribute stood as pivotal. If for Tony Judt social democracy had become the "prose of contemporary European politics"<sup>5</sup>, U.S. historian Mary Nolan later went as far as to mention the existence of a truly "transatlantic social policy gap.... Different conceptualizations of the social and of social rights as well as distinctive social policy regimes were indeed integral parts of Europe's own, peculiar, varieties of capitalism and version of modernity"<sup>6</sup>.

The definition and implications of the alleged "social dimension" of the EU sparked a furious and pervasive debate encompassing the political, public, cultural and intellectual landscapes of both Europe and America. In 2007, from the pages of the *London Review of Books*, the intellectual Perry Anderson vehemently attacked what he called the "varieties of capitalism literature" partly responsible for the "apparently illimitable narcissism" and the "political vanity" of the EU. Quoting Andrew Moravcsik, he supported the claim that "European social policy exists only in the dreams of disgruntled socialists"<sup>7</sup>. Looking at the EU's pinching spending (just over 1 per cent of its GDP), absence of independent taxation, lack of administrative enforcement, the European Union should have been regarded as a "ne plus ultra of the minimal state, beyond the most dramatic imaginings of classic liberalism", or a "European catallaxy as (Friedrich) Hayek had conceived it"<sup>6</sup>.

6. M. Nolan, The Transatlantic Century, cit., p. 6.

8. Ibidem

Judt reviewed R. Reids, The United States of Europe: The New Superpower and the End of American Supremacy, the Penguin Press, NY, 2004; J. Rifkins, The European Dream: How Europe's Vision of the Future Is Quietly Eclipsing the American Dream, Tarcher/Penguin, NY, 2004; and T. Garton Ash, Free World: America, Europe, and the Surprising Future of the West, Vintage Books, NY, 2004 in "Europe vs America", the New York Review of Books, February 10, Issue 2005, last consulted 31/10/2016.

<sup>2.</sup> T. Judt, Postwar, cit.

<sup>3.</sup> For a very critical overview see P. Anderson, "Depicting Europe", in the London Review of Books, vol. 29, no. 18, 20 September 2007.

<sup>4.</sup> A vision shared by several historians and commentators. Among others W. Hutton, *The World We Are In*, Abacus, London, 2002; M. Leonard, *Why Europe Will Run the 21st Century*, Fourth Estate, 2005; T. Judt ("Few would have predicted it sixty years before, but the twenty-first century might yet belong to Europe"), *Postwar, cit*, p. 800; M. Nolan, *The Transatlantic Century. Europe and America*, 1890–2010, Cambridge UP, Mass., 2012.

<sup>5.</sup> Judt first used the expression in his valedictory lecture at the Remarque Institute of NYU, "What is living and what is dead in Social Democracy", on October 19, 2009. An adapted transcript appeared on the NYRB, December 17, 2009 Issue. He further elaborated the concept in his *Ill Fares the Land*, the Penguin Press, NY, 2010, p. 80.

<sup>7.</sup> Perry Anderson, "Depicting Europe", cit, pp. 13-21.

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Scholars have variously wrestled with the notion of the "European social model" for decades, with no conclusive answer. A contested and polysemous concept, its embrace or rejection is seemingly shaped by different variables as well as by political and ideological alternatives. While many could be listed, the time and terms of comparison strike me as the most critical. Unsurprisingly, the end of the Cold War ignited an ambitious urge to redefine the Old continent's identity and self-perception in a new international environment. Since 1989, the idea that major differences separate the United States and Europe has been embraced often through a Manichean reading and has often come to dominate the public conversation, European and Trans-Atlantic. But it's especially after 9/11 and the Iraq War of 2003 that the "European model" has surged as a forceful paradigm of alternative modernity<sup>9</sup>. Yet, its appraisal also depends on the parameters used to codify it. Beyond the economic assessment of the EU social policies, judgments are argued out on the basis of comparisons. The evaluation varies whether Europe is positively compared to other systems (the U.S., most notably), or if it is set against its own myth. The EU social model is undeniably the pillar of a long popular exceptionalist narrative nurtured by European elites, but the gap between ambitions and results is evident. Where the focus is on the hiatus between rhetoric and substance-"words and deeds"-, the conclusion tends to be unmistakably negative. More often than not, the political judgment is also inextricable from historical analyses, as it is presentism<sup>10</sup>.

Ordering the debate is admittedly a hard task. But among the multiple interwoven threads of the discussion, there is a detectable overarching narrative for understanding the evolution of the concept and it revolves around the transformation of western capitalism: **the eminent question is to what extent the European Community/Union has rejected, adapted, mestizised or contained the neoliberal shift occurred after the "shock of the global" of the 1970s**<sup>11</sup>.

From this perspective, engaging with critical questions on European integration history and transatlantic relations in the 1980s is fundamental to disentangle some crucial knots. A reflection on the debate on "social Europe" is inseparable from the understanding of the re-launching of the EC, a process epitomized by the *1992 Initiative*, the adoption of the Single European Act (SEA) and eventually crowned by the Maastricht Treaty (TEU). The Delors Commission constitutes indeed an ideal point of observation to reflect on the European Social Model, as it was conceived and narrated thirty years ago. And it can also provide an effective stimulus to reflect on the present<sup>12</sup>. After all, as E.H. Carr famously argued, history is "an unending dialogue between the past and the present". To see how the Delors Commission interpreted its commitment to "Social Europe" is also to question what is left of that vision and endeavor, and the meaning of its legacy for today's Europe.

The article addresses four main questions. **The first refers to the crisis of the model of the postwar mixed economy**: how did Jacques Delors conceptualize it and how did he act on it? As President of the Commission, he extensively engaged in outreach activities, be they press conferences; debates with trade unions, political, business and religious leaders, academics. He relentlessly sustained a rich pedagogical effort aimed at

11. Duccio Basosi addresses this question in his original analysis of Western Europe's reactions to international Reaganomics: "The European Community and International Reaganomics, 1981–

1985", in Patel and Weisbrode (eds), European Integration and the Atlantic Community in the 1980s, Cambridge UP, New York, 2013. By focusing on the political economy of U.S.-European relations

in the 1980s, he argues that "not only did criticism from Western Europe vary in intensity throughout the years in question, but ... there never emerged a truly cohesive Western European

position (towards Reagomics)", p.135. An interpretation that collides with Mary Nolan's, the Transatlantic Century, cit. On the "shock of the global", see the influential, title-wise volume edited

by N. Ferguson C. S. Maier, E. Manela, The Shock of the Global. The 1970s in Perspective, Cambridge, Mass., 2011.

<sup>9.</sup> The literature on the topic is certainly abundant. For an acute reflection on the transformation of the American hegemony within the Atlantic Community and the qualified surge of Europe's distinctiveness see F. Romero, "The twilight of American Hegemony" in David Farber [ed.], What They Think of Us. International Perceptions of the United States since 9[11, Princeton University Press, Princeton, 2007, pp. 153–76. On the topic, see also M. Nolan, Anti-Americanism and Anti-Leropeanism, in L. Gardner and M. Young (eds.), The New American Empire: A 21st-Century Teach—In on U.S. Foreign Policy, New Press, NY, 2005, pp. 113–32. Besides, Judt's intellectual parabola is exemplary in this regard. If in 1993, the EU was a Grand Illusion' sufficiently unlikely for it to be unvise and self-defeating to insist on it", by 2005 it had become a "serviceable model to propose for universal emulation". See T. Judt, A Grand Illusion? An essay on Europe, NYU Press, NY, 1996, pp. VIII and T. Judt, Postwar, cit p. 800. On the strategic dimension of the U.S.-European relationship, see F. Bozo, "The U.S. Changing Role and Europe's Transatlantic Dilemmas: Toward and EU Strategic Autonomy", in G. Lundestad [ed], Just Another Major Crisis?: The United States and Europe Since 2000, Oxford UP, Oxford, 2008, ch. 6. The entire volume offers interesting perspective on the Atlantic rift in the early 21st century. See also J. Beltran, F. Bozo (ed), Étas-Unis-Europe: réinventer l'Alliance, Paris, Ifri, 2001. An interesting, provocative reading for the impact of 9/11 on the U.S. and its foreign policy is Stanley Hoffmann, L'Amérique vraiment impériale? Entretienes sur le vif avec Frédéric Bozo, Paris, Louis Audibert, 2003, 208 pp. [Trad. anglaise: Gulliver Unbound: America's Imperial Temptation and the War in Iraq, Lanham, Rowman & Littlefield, 2004, 168 pp.]

<sup>10.</sup> It is the case, from my perspective, of John Gillingham's work: European integration 1950–2003: Superstate or New Market Economy?, Cambridge UP, Cambridge, Mass, 2004. It is history book as much as a political commentary.

<sup>12.</sup> In writing this paper, I have extensively relied upon the *Personal Papers of Jacques Delors*, which I have consulted at the Centre d'Histoire de Sciences Po (Paris). While not disclosing unexpected elements, they help to disentangle some historiographical knots by stimulating to the adoption of original perspectives. All three categories of the funds are indeed relevant to this analysis. Delors' extraordinarily rich collection of speeches and interventions, the interviews he conducted with the Media, his preparatory notes and reports enable to reconstruct his understanding, and representing, of Europe's economic and social order. I am indebted to N.Piers Ludlow for sharing with me his insight and knowledge of EC Presidential Archives, included Delors'.

informing and educating the public, French and European, mainly. How did he articulate his political, economic, social and institutional vision of Europe?

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**Finally, what is left of that endeavor?** The fourth and last part of the article offers a reflection on the lesson for Europe in the current state of crisis.

## 1. Out of the crisis, into a reformed European Community

Jacques Delors was appointed President of the European Commission in January 1985. Despite having served in the European Parliament as influential chairman of its Committee on Economic and Monetary Affairs before, few had predicted his return to Brussels as Head of the Commission. Accumulated strains in the relationship with François Mitterrand had cost him the nomination, initially gone to Claude Cheysson<sup>13</sup>. Whilst Delors declared himself ready to resume his university career while preserving his duties as mayor of Clichy, the Germans and the British reversed his fate. Both Helmut Kohl and Margaret Thatcher expressed preference for the former French Minister of Economics and Finance over Cheysson. For his fully-fledged support to the so-called "tournant de la rigueur" France undertook in 1983, Delors personified rigor, toughness, austerity<sup>14</sup>. By cutting public spending, raising taxes on personal consumption while reducing taxes on business, by prioritizing the fight against inflation to remain within the European Monetary System, he was the man who had allegedly privileged "Europe over socialism"<sup>15</sup>. Unflinching and at times provocative, Delors' speeches and tireless pamphleteering had also contributed to shape his image as a straightforward, unprejudiced man, free from ideological constraint<sup>16</sup>. Pragmatic and somehow ecumenical, he seemed qualified to guide the European Communities out of the engulfing "Eurosclerosis"<sup>17</sup>.

It was indeed a gloomy picture, the EC's portrait in the mid-1980s: 13 millions of unemployed people, sluggish growth and slow pace of economic development if compared to the U.S. and South-East Asia. Despite national differences, the common framework was characterized by high inflation, excessively compartmentalized

<sup>13.</sup> On this, see N. P. Ludlow, "Jacques Delors (1985–1995): navigating the European stream at full flow" in J. van der Harst and G. Voerman (eds.), An Impossible Job? The Presidents of the European Commission, 1958–2014, John Harper, London, 2015. Since 1985, commentators, scholars, and an increasing number of historians have engaged with the effort to profile Jacques Delors: the man, politician, and bureaucrat. In one of his contributions, Piers Ludlow recalls the innumerable articles, book chapters, biographies, memoirs published on and by Delors. I undoubtedly share his claim: "when writing on him the problem indeed becomes too much secondary material rather than too little (...) With so copious a literature already out there, it becomes much more difficult for any observer to advance a truly new perspective", p. 3. For this section, particularly relevant are the chapters by D. Basosi, *cit*; P.N. Ludlow, "The unnoticed apogee of Atlanticism? U.S.-Western European Relations in the early Reagan era", A. Varsori, "The Reasons For Change: Europe in the Second Cold War", and M. Gilbert, "A shift in Mood: the *1992 Initiative* and Changing U.S. Perceptions of the European Community, 1988–1989".

<sup>14. 1983</sup> and the "tournant de la rigueur" are interpreted here as turning points, but Delors' economic thinking and policy are to be understood in a longer perspective. Already in 1981, Delors had called for a "pause in Socialist reforms" to stabilize the economy.

On the Mitterrand's years, and the U-turn in economic policy, the literature is abundant. Among others, see M. Martin-Roland, P. Favier, La décennie Mitterrand: Tome 1, Les ruptures (1981–1984), SEUIL, Paris, 1995; J. Lacouture, Une Histoire de Français, SEUIL, Paris, 1998; J. Lacouture, P. Rotman, Mitterrand. Le Roman Du Pouvoir, SEUIL, Paris, 2000; G. Ross, S. Hoffman and S. Malzacher (eds), the Mitterrand Experiment. Continuity and Change in Modern France, Oxford, Polity Press, 1987; T. Ronald, François Mitterrand: The Last French President, St. Martin's Press, NY, 2000; P. Short, Mitterrand: A Study in Ambiguity, Bodly Head, London, 2003.

<sup>16.</sup> It is the image emerged from the perusal of the tens of speeches and contributions, particularly those between 1984 and 1985. See for instance "Le cheminement de Jacques Delors entre les camps opposés. Profil d'une cohabitation", in Neuer Zircher Zeitung, 17/10/1985, French translation, in Jacques Delors Archives (hereinafter JD) – 32, 1st Commission (I) – 85, Allocutions de Jacques Delors. Presse, pp. 126–128; JD – 33, I-85, Interventions de Jacques Delors, presse. "Intervention au Grand Jury de RTL— Le Monde" (13/10), pp. 16–48. On September 30, 1985, a few days before the publication of *En sortir ou pas*—the book written by Jacques Delors and the RTL journalist Philippe Alexandre – one of its chapters appeared on the pages of the conservative, liberal magazine *Le Point*. The center-right weekly praised Delors' brave judgments, especially on fiscal policy and social security. It is worth quoting a brief paragraph to illustrate the language used by Delors to attack the French etatisme: "Dans la plupart des petites et moyennes entreprises, la qualification et l'expérience ne sont pas justement rémunérées (...). En France, l'audace ne paie pas, n'a sans doute jamais payé. Le mérite est mal rémunéré. L'initiative et l'innovation sont trop sévèrement taxées. Lourd, rigide, démesuré, le système de protection sociale est constamment complété et compliqué: il organise les abus. (...) Pour justifier une facture qui s'alourdit sans arrêt, on gue de progresocial, de solidarité nationale, de sacrifices nécessaires de la collectivité en faveur de ceux des siens qui souffent. Façon de camoufler, sous la noblesse des mots, une vérité accablante : s'en remettre exclusivement a' l'apur assurer les devoirs qui incombent à chacun de nous, substituer à la solidarité institutionnelle, ce n'est pas un signe de progreso.", le Point. September 30, 1985, JD–30, I–85, Interventions de Jacques Delors. Presse, p. 3

<sup>17.</sup> The term was first coined by the German economist Herbert Giersch in the 1970s to define Western Europe's economic stagnation. It is used to describe the EC pattern of high unemployment, slow job creation, low participation to the labor force and weakening overall economic growth during the early 1980s. Overviews of European integration in the 1980s are offered by several scholars; among others: P. Ludlow, "European integration in the 1980s: on the way to Maastricht", in *Journal of European Integration History*, vol. 19, 1/2013, pp. 11–22; M. Gilbert, *European integration*. A coincise history, Rowman&Littlefield, Plymouth, UK, 2012; J. Gillingham, *Superstate or Market Economy?, cit*: A. Moravcsik, *The Choice for Europea and State Power from Messina to Maastricht*, UCL Press, London, 1999; E. Murlon-Druol, *A Europe Made of Money: The Emergence of the European Monetary System*, Cornell UP, Ithaca, 2012.

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market, lack of opportunities for small and medium enterprises, numerous and uncoordinated State interventions, a shrinking social dialogue. Research and investment in new technologies were remarkably low and Western Europe lacked, Delors would immediately lament, an offensive strategy to forge a common framework in the field<sup>19</sup>. Internal disputes had been a drag on innovation for more than four years; among them: the British Budgetary Question, the exhaustion of the EC own resources, the persistence of barriers to intra-community trade, the inability of the EC to deal with the challenges of enlargement; the hesitation – despite the urgency – on developing new common policies (i.e. Research and Industry). All of these difficulties had been amplified by the inability to legislate due to well-known institutional hurdles. **Europe was lethargic<sup>19</sup>**. The endogenous causes of its "malaise" were strictly related to external factors, and in particular to the shattering of the international economic order. The collapse of the Bretton Woods System, which had long delivered on the promises of sustained growth, low unemployment and stable prices, had led the western world astray. By fracturing and then finally imploding, the system—once capable of "jointly satisfying international and domestic interests, markets and social reform, capitalists and labor"—disintegrated the consensus that had underpinned the Atlantic Community for thirty years<sup>20</sup>.

THE MORIBUND STATE OF THE POSTWAR MIXED ECONOMY, THE SEVERE CRISIS OF ITS MODEL, WAS A FOCAL POINT OF DELORS' WAS A FOCAL POINT OF DELORS' HIS FIRST TERM." The moribund state of the postwar mixed economy, the severe crisis of its model, was a focal point of Delors' political analysis throughout his first term. In a tireless effort of communication, the President of the European Commission constantly engaged with the public to make sense of the crisis and promote its awareness across the spectrum. Whether he was speaking at POLITICAL ANALYSIS THROUGHOUT Research Institutes, to the European press, at political meetings and seminars HIS FIRST TERM."

the breakup of the postwar order, before highlighting the momentous challenges and envisioning a future trajectory<sup>21</sup>.

In conceptualizing the Trente Glorieuses, Delors insisted on the unique—and unreplicable—favorable environment for the development of the First world. Under U.S. leadership, the Bretton Woods System not only contributed to an almost unprecedented age of growth and stability but it also qualified the path to growth in a distinctive way. Within a system that enabled states to enact controls on capital flows while maintaining fixed exchange rates and expansionary domestic policies, modernity was defined by free-trade, unmatched productivity and high wages, mass consumption, technological innovation, rational labor organization and Fordist production<sup>22</sup>. The fortunate combination of these factors and the unequal North/South exchange in raw materials and energy supply enabled the stabilized-growth capitalism of the West, which was also buttressed by the "perfect match"—as Delors called—between dominant ideas and facts<sup>23</sup>. If the policies implemented on the basis of Keynesian and Fordist assumptions gave a decisive impulse to the economic

JD-26, I-85, Gauche européenne, presse variée, "Message (dactyl.) de Jacques Delors avec corrections manuscrites [02/1985]" at the Congrès de la Gauche européenne (Strasbourg, 15–16/02), pp. 13–19 and JD–26, I-85, Gauche européenne, presse variée "La CEE en 1985": contribution d'Henri Saby, président de la Délégation socialiste française au Parlement européen [02/1985]". See also JD–38, I-85, Interviews de Jacques Delors, Presse. "Grand débat entre Simone Veil, présidente du Groupe Libéral du Parlement européen et Jacques Delors" (04/12), pp. 7–42.

Jacques Delors: "Il est de ma responsabilité de provoquer, au sein de la Commission tout d'abord, puis devant le Parlement et devant le Conseil, les discussions qui devraient nous faire sortir de ce qu'il faut bien appeler dans ce domaine, la léthargie de l'Europe. Je le ferai, avec l'intime conviction qu'il est possible de dégager, entre nous, des compromis dynamiques (...), JD-2, I-85, Interventions de Jacques Delors sur les orientations de la Commission, "Les orientations de la Commission des Communautés européennes", p. 7. The text was presented by Delors at the European Parliament in Strasbourg, on January 14, 1985.

<sup>20.</sup> Cfr. J. A. Frieden, Global Capitalism. Its Fall and Rise in the Twentieth Century, Norton&Company, NY, 2006. Friedan argues that "the new order combined internationalism with national autonomy, the market with the social, prosperity with social stability and political democracy. It allowed both international economic openness and controls on short-term investment, protection for agriculture and such preferential trading arrangements as the European Common Market. It mixed probusiness policies with substantial government involvement in the economy, an extensive social safety net, and politically powerful labor movements", p. 300.

<sup>21.</sup> An excellent example is Delors' intervention at the Institut de recherche et de perfectionnement de l'organisation professionnelle (IRPOP), "Les contradictions de la société industrielle : l'État face aux problèmes de la régulation économique et sociale", in JD-9, Désignation à la Présidence de la Commission CE(DP)-84, Interventions de Jacques Delors sur les affaires économiques, pp, 54-66. But this analysis is put forward in the majority of his speeches and written contributions. See, for instance, Jacques Delors interventions at TF1 'Midi Presse' (16/12/1984), JD-9, DP, pp, 73-99; "Comment adapter notre économie" in Dirigeant (07-08/1984), JD-8, DP-84, Presse sur Jacques Delors unite de l'Économie et des Finances, pp. 38-41, or his preparatory notes for his intervention at the Congrès de l'Union confédérate des ingénieurs et cadres UCC / CFDT (Strasbourg, 18/10/1984) titted "Vers un nouveau modèle de développement", in JD-12, DP-84, Interventions de Jacques Delors relatives au syndicat CFDT, pp. 10-16. His interview for El País is also very interesting. JD-24, I-85, Interventions de Jacques Delors, presse, JD-24, I-85, pp. 96-97. My understanding of Delors' economic thinking is also heavily based on the copious interviews available online and on secondary literature. Among many others, see J. Delors, L'Unité d'un Homme: Entretiens avec Dominique Wolton, 0. Jacob, Paris, 1994; J. Delors, Combats pour l'Europe, Paris, 1996, Mémoires, Paris 2004; E. Bussière, M. Dumoulin, S. Schirman, Europe organisée ou Europe du libre-échange, P.Lang, Bruxelles, 2006; E. Bussière, M. Dumoulin, G. Trausch (eds), Europa, l'idée et l'identité européennes de l'Antiquité grecque au XXI\* siècle, Bruxelles—Bern, 2001; G. Ross, Jacques Delors and European Integration, Oxford UP, Oxford, 1995.

<sup>22.</sup> On the system of "embedded liberalism", the literature is rich. For the original coinage and understanding of the concept, see John Gerard Ruggie, "International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order", International Organization, vol. 36 (Spring 1982). See, among others, E. Hobsbawm, The Age of Extremes: The Short Twentieth Century, 1914–1991, Michael Joseph, London, 1994 (particularly the part on "The Golden Age"); B. J. Eichengreen, Global Imbalances and The Lesson of Bretton Woods, (Cambridge, Mass., 2007); particularly accurate is Daniel Sargent's A Superpower Transformed: the Remaking of American Foreign Relations in the 1970s, Oxford UP, Oxford, 2015.

<sup>23.</sup> Cfr. JD—9, DP—84, "Les contradictions de la société industrielle : l'État face aux problèmes de la régulation économique et sociale", cit. p. 58.



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growth, the pace and vigor of that growth contributed immensely to the exceptional legitimacy of these very ideas and of those who embodied them, ensuring a level of widespread consensus that prevented any form of excessive ideological contestation. But by the late 1960s, these trends had been reversed. Enhanced trade competition, restored and thriving international finance and capital flows, high energy prices, currency fluctuations, and a new international division of labor impeded domestic economic performances<sup>24</sup>. **Based on compromises that eventually unraveled, the postwar order—Delors insisted—had come to an end, challenging American hegemony, and imposing a rethinking of the European project.** 

By relentlessly undertaking this rich pedagogical effort, the President of the Commission intended to socialize the (educated) citizens of Western Europe to a specific understanding of present times. He crafted a narrative encompassing the core and the periphery of Europe without overlooking the different national impact of the fall of Bretton Woods, but insisting on the urge to hasten the process of integration and adapt the European Community to a new international context<sup>25</sup>. The EC did not exist in a void. The "shock of the global" had contributed to the acceleration of inescapable forms of interdependence, particularly visible in the technological revolution, that it was hazardous—if not impossible—to ignore. In his perspective, globalization was a fact, not a choice, and the EC could not overlook the constraints it imposed. It had the ability, and the sovereignty, to choose how to govern the transformation of the world economy. It didn't have the possibility to reverse it, nor stop it. It was clearly a reactive strategy, and one that materialized after the United States had unilaterally changed course of action and begun a transition to a new form of hegemony, not only less-Atlantic centered but increasingly damaging for Western Europe collectively. Indeed, responding to a perceived crisis of confidence, the U.S. had already resorted to a massive "shock therapy" of monetary contraction and fiscal indulgence. Within weeks of taking office as Head of the Federal Reserve Bank of New York in 1979, Paul Volcker - unconditionally committed to a strict anti-inflationary policy—had pushed short-term interest rates up to 20%. This drove the American economy into two successive recessions, reduced the median family income by 10% and raised unemployment to nearly 11%. But the Volcker shock met the goal: inflation went down beneath 4% and remained roughly this low for the next two decades<sup>26</sup>. In order to avoid a massive flow of capital overseas, western European economies participated to an interest-rate war, which however played to the advantage of the United States.

Delors systematically attacked U.S. deflationary monetary policy for its detrimental effect on the EC economies and more broadly on the international system. While America was turning from an "empire of production" to an "empire of consumption", the surge of the value of the dollar was, in his words, a "*Plan Marshall à l'envers*"<sup>27</sup>. The postwar years had enabled the establishment of the *Pax Americana* that rested upon the projection of a hegemony constrained in a set of arrangements that limited American power while granting its allies some room for manoeuvre by accommodating their basic needs<sup>28</sup>. That trade-off was gone in the mid-1980s, and the exceptional role of the U.S. currency epitomized this shift. The dollar was indeed preserving its privileges, while abandoning its responsibilities<sup>29</sup>. Already as Minister of Economics and Finance, Delors had publicly denounced the unacceptable imbalance: "Nous sommes contents du dynamisme américain—il faut être beaux joueurs—mais nous lui demandons de prendre plus au sérieux les devoirs que lui assignent son leadership et le fait d'être le seul pays à pouvoir battre une monnaie acceptée par tout le monde. Imaginez que la France puisse financer son déficit commercial en créant des francs acceptés par tous ? [...] Nous pourrions baisser les

For a comprehensive appreciation of the transformation of global capitalism, see J. A. Frieden, Global Capitalism. cit; see also L. Neal, J. G. Williamson (eds), The Cambridge History of Capitalism. Volume II. The Spread of Capitalism from 1848 to the Present, Cambridge UP, UK, 2014 (especially chapters 8, 12, 14–16).

<sup>25.</sup> The uneven distribution of the burdens of restructuring the international economy was clearly visible, for example, in the divergent trends of economic performances within the EC. Delors was persuaded that higher growth and employment depended on a progressive convergence of economies; and on the need to attain greater cohesion within the EC, he built a central part of his argument. Economic and social cohesion became a crucial point of his *Program*, presented in front of the European Parliament on January, 14th 1985, JD-2, I-85, "Les orientations de la Commission de Communautés européens", *cit*.

<sup>26.</sup> On the Volcker shock, see among others M. Mussa, "U.S. Monetary Policy in the 1980s" in M. Feldstein, American Policy in the 1980s, Chicago UP, Chicago, 1994, pp. 81–145. On the Volcker shock as a turning point in the "financialization of the U.S. economy" and more broadly as a watershed in the history of the international economy see G.R. Krippner, Capitalizing on Crisis: the Political Origins of the Rise of Finance, Harvard UP, Mass, 2011 and J. Stein, Pivotal Decade: How the United States Traded Factories for Finance in the Seventies, New Haven, CT, 2010.

<sup>27.</sup> JD-25, I-85, Gauche européenne. Presse variée, in "Intervista Presidente Delors al Corriere della Sera", (Interview by the Corriere della Sera), A. Guatelli, 4 marzo 1985, p. 56

<sup>28.</sup> M. Mastanduno, "System Maker and Privilege Taker: The United States and the International Political Economy," World Politics, Vol. 61, n. 1, January 2009, pp. 121–154. The historiographical debate on the Pax Americana is particularly rich. For brevity's sake, and because Delors' understanding is consistent with his definition, see C. Maier, "Alliance and Autonomy: European identity and U.S. Foreign Policy Objectives in the Truman Years", in M.C. Lacey (ed), The Truman Presidency, Cambridge University Press, NY, 1989, p. 274. Maier pioneered his acclaimed definition of U.S. hegemony as "consensual" in his In Search of Stability: Explorations in Historical Political Economy, Cambridge UP, NY, 1987, p. 148. He further expanded it in C. Maier (ed), The Cold War in Europe: era of a divided continent. Markus Wiener Publishers. Princeton. 1996.

<sup>29.</sup> On the transformation of the dollar: B. Eichengreen, Exorbitant Privilege: the Rise and Fall of the Dollar and the Future of the International Monetary System (New York, 2011); E. Helleiner and Jonathan Kirshner, The Future of the Dollar, Cornell UP, Ithaca, 2009.



impôts, donner des incitations comme le réclame le CNPF, créer des emplois, etc. Malheureusement, il n'y a que l'Amérique qui a ce privilège"<sup>30</sup>.

By criticizing the U.S. for its lack of hegemonic responsibility, Delors was signaling the transformation of the Atlantic compromise. U.S. pre-eminence as system maker and privilege taker' required, among other things, the willingness of its allies to cooperate and this was not given anymore<sup>31</sup>. What had been a stark comment from a French Minister gradually turned into subtler but nonetheless incisive statement as President of the EC Commission. In outspoken remarks, he recurrently urged the members of the European Community to cooperate in combatting what he called a "major offensive" from the United States. Indeed, as the scholar Giovanni Arrighi noted: "Volcker's switch from highly permissive to highly restrictive monetary policies in the last year of the Carter Administration was the harbinger of the abandonment under Reagan of the ideology and practice of the New Deal, nationally and internationally"<sup>22</sup>.

# 2. Understanding the European Social Model: the relevance of the transatlantic framework

Why is the U.S.-European relationship crucial to the investigation of "Social Europe"?

**Part of the answer is provided by Delors himself, who anchored the understanding of the challenges of his time to the recognition of the importance of Reaganism:** "Nous sommes ici engagés dans un débat d'une grande acuité avec l'administration américaine. Ce que l'on appelle le « reaganisme » ne vise pas seulement le fonctionnement de l'économie interne, mais aussi toute l'action internationale des États"<sup>33</sup>.

THE RE-LAUNCHING OF EUROPEAN INTEGRATION IN THE 1980S UNFOLDED IN THE MIDST OF A SIGNIFICANT RECONFIGURATION OF THE U.S. POLITICAL, CULTURAL AND

The re-launching of European integration in the 1980s unfolded in the midst of a significant reconfiguration of the U.S. political, cultural and economic landscape: a neoliberal and neoconservative shift which radically impacted U.S. foreign policy, transatlantic relations and—to a certain extent—European integration. No comprehensive understanding of the EC in the 1980s is possible without unveiling this connection.

**ECONOMIC LANDSCAPE**" The rightward bound in American politics, built upon the gradual dismantling of the New Deal economic and political order as Arrighi noted, fueled an apologetic praise of free market economic theory<sup>34</sup>. In the "Age of Reagan", deregulation, financialization, removal of controls on capital flows, privatization, tax breaks for corporations, designs to curb "big government" and dismantle the welfare state progressively gained ground as organizing principles of the new economic order. Whether or not the American New Right delivered as much as it promised is up for debate<sup>35</sup>. Republican vows of fiscal discipline notwithstanding, both the deficit of the federal government and the national debt ballooned. While severely assaulted, the social welfare programs of the New Deal and Great Society survived the 1980s. Federal investments, particularly in the military realm, continued to fuel economic growth and, already in the mid-1980s, Delors publicly denounced these knotty contradictions exposing that gap between practice and rhetoric of Reaganomics<sup>36</sup>.

<sup>30.</sup> JD—025, And while asserting the EC's distinctiveness, he also casted doubts on the U.S. ability to lead: "que penseraient les Américains si l'Europe préservait ses emplois et augmentait son activité avec un déficit extérieur aussi élevé que celui des États-Unis ?".

<sup>31.</sup> On the transformation of the American hegemony Judith Stein, Pivotal Decade: How the United States Traded Factories for Finance in the Seventies (New Haven, 2010); Jefferson Cowie, Stayin' Alive: The 1970s and the Last Days of the Working Class (New York, 2010); Daniel Rodgers, Age of Fracture, (Cambridge, Mass., 2011); Thomas Borstelmann, The 1970s. A New Global History (Princeton, 2012). On the various factors that have contributed to the transformation, consider: Jean Quataert, Advocating Dignity: Human Rights Mobilization in Global Politics (Philadelphia, 2009), Samuel Moyn, The Last Utopia. Human Rights in History (Cambridge, Ma, 2012); Barbara Keys, Reclaiming American Virtue: The Human Rights Revolution of the 1970s (Cambridge, Mass., 2014); on the dollar: Barry Eichengreen, Exorbitant Privilege: the Rise and Fall of the Dollar and the Future of the International Monetary System (New York, 2011); Eric Helleiner and Jonathan Kirshner, The Future of the Dollar (Ithaca, 2009).

<sup>32. 6.</sup> Arrighi, "The world economy and the Cold War, 1970–1990", in Melvyn P. Leffler and Odd A. Westad, The Cambridge History of the Cold War, vol. 3, 2010, pp. 49

As reported by the Herald Tribune (1.3.85) and the Wall Street Journal (1.3.85), in JD-42, I-85, "Fil Rouge", p. 5. Interestingly, commentators of La Lettre européenne would welcome his Program for the Commission as the product of someone who would finally resist the temptation of Reaganomics (p.6).

On this see, among others, D. Rodgers, Age of Fracture, Cambridge, Mass. 2011; B. Schulman and Julian E. Zelizer, Rightward Bound. Making America Conservative in the 1970s, Cambridge, Mass. 2008, Hil Troy, Morning in America. How Ronald Reagan Invented the 1980s, Princeton University Press, 2005.

<sup>35.</sup> The expression "Age of Reagan" is S. Wilentz's (The Age of Reagan, 1974–2008, New York, 2008). See also D. Rossinow, The Reagan Era. A History of the 1980s, New York, 2015.

<sup>36.</sup> In an interview for the Corriere della Sera, published in March 1985, the President of the Commission highlighted such distance: "Je pourrais citer des articles venant d'économistes libéraux selon lesquels la politique menée par l'administration américaine s'éloigne parfois assez sensiblement de la représentation théorique qui en est faite." And Delors added a handwritten footnote: "Ils soulignent le « caractère keynésien » d'un volet de leur politique : la stimulation de la demande par les programmes militaires et un fort déficit budgétaire, financé en bonne parti par l'épargne des autres pays", JD-25, I-85, p. 56.

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The U.S. was indeed moving erratically among older policies and new designs. Yet, **from an ideological, discursive and cultural perspective, the neoliberal crusade achieved an uncontested subtler, and more enduring, result.** The conservative movement successfully altered the terms of the debate, constructing what became a quasi-unassailable narrative and placing its opponents on the defensive. Daniel Rodgers illuminates the pervasiveness of the conservative discourse in his brilliant *Age of Fracture*. As he notes, "in the enchanted, disembedded, physically involuted sense of freedom that slipped into Reagan's speeches, in the disaggregation of 'We the people' into balconies of individual heroes, in the celebration of the limitless possibilities of self and change, there were more parallels with the intellectual dynamics of the age than many observers recognized at the time"<sup>37</sup>.

But Delors apparently did perceive the change. Partly because, hegemonic in the American discourse during the Age of Reagan, the neoliberal paradigm similarly resonated across the Atlantic. The most forceful and vivid example was noticeably Margaret Thatcher's revolution<sup>38</sup>. Boldly proclaiming that "there is no such thing as Society" and that "there is no alternative" to the liberalization of markets, the deregulation of manufacturing and finance, the privatization of state-owned enterprises, small government and balanced budgets, she too waged a war against the tenets of post-war embedded capitalism and its Keynesian compromise. In the UK, as emphasis was increasingly placed on individualistic ethic that discounted any unquantifiable assets, the public space became "the market place"<sup>39</sup>. And yet Delors was ideologically and politically resolved to search for an alternative. Contrary to her expectations, he would not be the man turning "Europeanism into Thatcherism", as she believed he had done with Mitterrand's vision<sup>40</sup>. And this is perhaps the most intriguing aspect of Delors' eclectic image, with his apparently irreconcilable faces: he has been at once the French champion of austerity credited with the country's modernization and Frère Jacques conspiring to introduce collectivism and corporatism at the European level; the successful disciple of Emmanuel Mounier ceaselessly trying to give the EC a more human face; the Tsar of Brussels and the man who converted Western Europe to savage neoliberalism<sup>41</sup>. To be sure, none of these definitions (particularly the most caricatural) captures the complexities and ambiguities of his vision although they retain an element of validity pointing at the complex mix of intellectual inspirations and political trade-offs that informed "delorisme"<sup>42</sup>. Unmistakably, he visibly retained values of **classical liberalism** in the conception of an economic system based on cooperation, mutualism, contract negotiation, and de-centralized development without the resort to State norms. A former Christian trade-unionist indebted to the philosophy of **personalism**, he relentlessly praised the need for a collective effort. An effort that had to be equitable, based on the principle of individual responsibility within a community interpreted as the locus where personal development is enhanced, and not swallowed. Furthermore, such effort—undertaken on the respect of all social partners - hinged, unmistakably, on gradualism. Change would unfold steadily or it wouldn't. And it would require dynamic compromises among the many different forces of society. Undoubtedly, Delors' ambitions and discourse should also be located within the context of European socialism that saw its heyday in the 1970s and that was soon to be challenged by the conservative and neoliberal response of the following decades. Since the re-foundation of the Parti Socialiste Francais of 1971, the party's catchwords had been ranging from "changing life" to "breaking off with capitalism". But

<sup>37.</sup> D. Rodgers, Age of Fracture, cit, p. 39

On Margaret Thatcher, particularly on the cultural, political and social impact of her economic policy and thinking, see L. Hadley, E. Ho, Thatcher&After. Margaret Thatcher and Her Afterlike in Contemporary Culture, Palgravel Macmillan, London, 2010; T. Judt, Postwar, cit; Ill Fares the Land, cit; D. Kavanah, Thatcherism and British Politics, Oxford UP, Oxford, 1997, R. Vinen, Thatcher's Britain: the politics and social upheaval of the Thatcher era, Simon&Schuster, London, 2009 C. Wolmar, Broken Rails: How Privatization Wrecked Britain's Railways, Aurum Press, London, 2011
T. Judt, Postwar, cit, o. 545. On Margaret Thatcher's transformation. see In his Age of Fracture. cit. Rodgers defines the market as the hegemonic metaphor of the time.

Which is was Thatcher told conservative MPs, quoted in P. Ludlow, "Jacques Delors (1985–1995): navigating the European stream at full flow", cit, p. 6.

<sup>41.</sup> In 1984, Jérôme Vignon—Delors' economic advisor—published his analysis of "delorisme" in Les Cahiers Français by raising a concern: that the entire governmental experience of Pierre Mauroy would be reduced to a sentence qualifying it as an initial failure, overcome only by the resort to austerity measures forcefully endorsed by his Minister of Finance, Delors. Cfr. Jérôme Vignon, "Le Delorisme en économie : note (dactyl.)" in Les Cahiers français, 12—1984, JD—9, DP—84, Interventions de Jacques Delors sur les affaires économiques, pp. 2—23. For an impressionistic overview of his multifarious image, and its evolution overtimes, consider the comprehensive press reviews in his Personal Papers. In particular: JD—14, DP—84, Portrait de Jacques Delors dans la presse; JD—88, —88, Presse sur Jacques Delors (the British Trade Union Congress recived Jacques Delors with a standing ovation and with a chorus of Frère Jacques when he delivered his famous speech in Bournemouth, in October 1988; JD—96, II—90, Article sur Jacques Delors.

<sup>42.</sup> To understand Delors' composite nature and thinking, his memoirs, speeches and interventions are particularly valuable. Beyond his most important publications, see Mémoires, cit; L'Unité d'un homme, cit; Combats pour l'Europe, Économica, Paris, 1996; Investir dans le social, Qolle Jacob, Paris, 2009; J. Delors and P. Alexandre, En sortir ou pas, Grasset, Paris, 1985. On Delors, see C. Grant, *Delors: Inside the House that Jacques Built*, Nicholas Brealey Pub, London, 1994; Cécile Amar, *Delors, l'homme qui ne voulait pas être roi*, Grasset, Paris, 2016. On Delors' debt to Personalism and Emmanuel Mounier, among many others J. Barroche, "La subsidiarité chez Jacques Delors. Un scialisme chrétien au fédéralisme européen", L'Harmattan, 2007/3, pp. 153–177; S. Baz-Hatem and N. Chambon, Jacques Delors, hier et aujourd'hui, édition Desclée de Brower, 2014; On this, his reflections collected in his personal archive are highly valuable; see for instance JD-24, I-85, "Message (dactyl.) de Jacques Delors sur Emmanuel Mounier (31/03)", pp. 98–100; "Lettre de Jacques Delors à L'Association des Amis d'Emmanuel Mounier accompagnant son message (01/04)" and "Lettres de L'Association sollicitant un témoignage de Jacques Delors (10/12/1984–21/03/1985)"pp. 102–104; JD–201, II–90; *Commémoration du philosophe chrétien Emmanuel Mounier*, pp. 1–89; JD–900, II–89; JD–89, *Collège de l'Europe (Bruges)*, "Discours d'ouverture de la Quarantième année academique du Collège d'Europe", pp. 3–42. His trade-unionism is well detecable in the entire Fund.



the application of its principles turned out to be more problematic and contradictory. The ultimate failure of "Keynesianism in a single country" spurred a wide debate on the new conditions of national policymaking in an age of increased interdependence, and led the Socialists to deepen their reflection on European integration, which they perceived as an alternative to the limits of national initiatives, as well as on new forms of "North-South" dialogue. If the inability of the nation state to face global competition in an age of financial crisis and technological development had exhausted the possibility for a social-democratic change at the national level, a **euro-keynesian project** might see the light within a broader European framework<sup>43</sup>.

Delors' predicaments are the result of this complex blend of thoughts that shaped his ambitions, policies and discourse. Direct, taxonomic in his speeches and writings, the President of the Commission channeled to the public his political and economic vision of Europe pitting it against the Anglo-American model of atomized, privatized, disaggregated society, governed by logics of separation, individualization, and obsessed with self-referentiality. **The essential Euro-American divide, according to Delors, was in this mindset. It was primarily about a different conceptualization of the bond between individuals in a community of shared values and norms:** "À l'extrême, chacun se sent le seul juge de lui-même, l'esprit de compétition ne va plus avec l'esprit de coopération. [...]. C'est la question de ne plus se reconnaître dans la communauté, dans les collectivités auxquelles on appartient, avec les disciplines et les solidarités qui l'accompagnent"<sup>44</sup>.

It revolved around a different interpretation of the meaning of freedom; it concerned the role of the state and, ultimately, the significance of the market. If the Reagan vocabulary defined it as "magic", Delors spelled it as the "indispensable allocator of resources, decision-maker and source of economic dynamism" but definitely not an end in itself. It needed "a moral conscience", or societies would peril. The neoliberal revolution was paradoxically strengthening the state while cultivating the market but was dismantling the bonds that had once tied them together. It posed a "moral challenge"—"un défi moral"—to counteract in the name of Europe's past and identity. The fundamental concepts of social justice and equity, Delors maintained, are indeed embedded in the history of the European civilization: "L'Europe est la terre d'élection d'un équilibre entre la société et l'individu. Hors de l'Europe cet équilibre est aujourd'hui presque partout interrompu"<sup>45</sup>. Addressing the Confédération française démocratique du travail, Delors presented the reform of the mixed economy in identity terms and in explicit opposition to alternative models, namely the Japanese and the American: "[…] Il y a dans les thèmes de la déréqulation, dans les thèmes de l'anti-État […]. La démarche qui conduit à une conception très dangereuse des rapports ou de la place respective de l'individu et de la société. C'est tourner le dos à tout ce qui a été l'éthique du syndicalisme et de la pensée social-démocrate pendant des années, qui consistait à dire : l'individu a des droits et des devoirs, mais la société en a aussi. Et la civilisation européenne est la seule qui, par ses fondements, garantisse un fond commun, philosophique, qui attache beaucoup d'importance à l'équilibre tensionnel, dialectique, entre l'individu et la société ; alors qu'aux États-Unis, on penche plutôt vers l'exaltation de l'individu, alors qu'au Japon, malgré une vie familiale qui reste très protectrice, c'est la pesée de la société qui apparaît frappante<sup>46</sup>."

And this is the second explanation of why the transatlantic framework is crucial in the investigation of the European Social Model. Far from being an isolated example, the quest for a European "social model" went hand in hand with the identification of undesirable alternatives. **Self-definition and identity-building** 

<sup>43.</sup> J. Delors: "Le projet européen offre à la social-démocratie l'opportunité d'un dépassement en donnant prise à son ouverture internationale : en lui facilitant l'accomplissement de ses « tâches historiques » en l'ouvrant aux attentes nouvelles de nos sociétés", in JD-957, II-90, Article de Jacques Delors in Argumentaire, "Une nouvelle frontière pour la social-démocratie", 01/1990. For a historical reflection on the transformation of social-democratic parties and thought see, among others, J. Callaghan, The Retreat of Social Democracy (Manchester, 2000); S. Cruciani (ed), Il socialismo europeo e il processo di integrazione, Milano, FrancoAngeli, (forthcoming 2016); M. Lazar (éd.), La gauche en Europe depuis 1945. Invariants et mutations du socialisme européen (Paris, 1996); G. Moschonas, In the Name of Social Democracy: The Great Transformation: 1945 to the Present, 2002; D. Sassoon, One Hundred Years of Socialism. The West European Left in the Twentieth Century (London/ NY, 1996).

<sup>44.</sup> Delors quoted in N. Chambon, S. Baz-Hatem, Jacques Delors hier et aujourd'hui, cit, p. 46.

<sup>45.</sup> JD—9, DP—84, "Épreuve d'un article sur Jacques Delors" in La Vie (n. p.) [12/1984], p. 6. And against this background, the journalist reported and praised Delors' ambition to promote—as President of the Commission—the protection Europe's cultural heritage, his willingness to foster youth exchanges, cultural festivals, and the film industry. Later, I will reflect on Delors' understanding of the role of culture in the definition of a European identity. And, relatedly, how he conceptualized the role of the State in its protection, definition and projection.

<sup>46.</sup> JD—12, DP—84, Jacques Delors, "Européens" in *Cadres CFDT* (12/1984), p. 16



**appear to be produced via negative opposition to an allegedly well definable Other**<sup>47</sup>. The United States has served this function numerous times in the history of the process of European integration, and Reaganite America unequivocally provided a well-defined conceptual framework to think about what a united Europe should *not* be<sup>48</sup>.

But, as Mark Mazower explains, "Europe has rarely been just about Europe": it has stood for a much broader normative ideal, which is exactly what Delors yearned to shape<sup>49</sup>. His objective was indeed a moral social order to be established within the Old continent, but progressively attained at the global level. The EC retained a responsibility, within its borders and beyond, to lead the way in developing a balanced order that could prove the compatibility between economic dynamism and social justice. Using a metaphor tellingly cherished also by the French Minister of Culture, Jack Lang, Europe was committed to avoid the establishment of a world order similar to that of "a fox in the henhouse"<sup>50</sup>: "[Il faut] dégager, entre nous, des compromis dynamiques [...]. Et ce, non seulement pour défendre nos légitimes intérêts sur le plan industriel, agricole, financier, mais aussi pour coopérer à un ordre économique mondial qui ne soit pas comparable à la fable du « renard dans le poulailler ». Nous devons démontrer, par la qualité de nos propositions, par l'exemplarité de notre action, que l'efficacité et la justice peuvent aller de pair<sup>\$1</sup>. [...] L'équité, ce n'est pas seulement la juste récompense de l'initiative et de la prise de risques, c'est aussi une collectivité accueillante à tous ses membres et soucieuse d'égalité des chances<sup>\$2</sup>."

The question, he argued, was **how to reach the "new frontier" of both necessity and ideal, eschewing the resort to radical solutions or simplifications.** A "social engineer" in his own definition, Delors engaged in an effort to forge that specific vision of modernity through a pragmatic, empirically-driven approach, and inspired by what he presented as Europe's foundational values<sup>53</sup>.

<sup>47.</sup> Delors: "Cela ne peut être réalisé que si ce grand marché est doté de ce que j'appelle une conscience morale, une conscience politique et c'est là la grande chance du modèle européen. Ce modèle dont on a dit tant de mal ces dernières années, mais qui avait su concilier les vertus du marché. ("Intervention des autorités publiques et le dialogue entre les partenaires sociaux donnant ainsi sa spécificité à l'Europe. Cette spécificité, on ne la retrouve ni dans les raisons du succès japonais, ni dans le modèle américain avec ses heurs et ses malheurs. Elle est inscrite au fond de l'identité européenne et conditionne en profondeur. La progression qui par la libération des échanges, la coopération technologique, le dialogue social et la coopération monétaire devra nous conduire à un espace économique commun", in JD-56, 1–87, Activités de Jacques Delors, press, Discours in "Journal de l'UCL" (02/1987), p. 128

<sup>48.</sup> On the European Identity, see René Girault, Gérard Bossuat, eds., Les Europe des Européens (Europe of the Europeans) (Paris, 1993), Gerard Delanty, Inventing Europe, Idea, Identity, Reality (Houndsmills, 1995); Bo Stráth, ed., Europe and the Other and Europe as the Other (Bruxelles, 2000). On U.S. role of alterity, Gfeller, Building a European Identity; Maria Gainar, Aux Origines de la Diplomatie Européenne. Les Neuf et la Coopération politique européenne de 1973 à 1980, (At the Origins of European Diplomacy. The Nine and the European Political Cooperation) (Bruxelles, 2012)

<sup>49.</sup> M. Mazower, "What Remains: On the European Union. How the twentieth century's confidence in social solidarity, human dignity and a better future died a slow, quiet death", The Nation, September 24, 2012 Issue, available at https://www.thenation.com/article/what-remains-european-union/, last consulted on November 9, 2016.

<sup>50.</sup> Jack Lang used the same metaphor to implicitly refer to U.S. cultural imperialism in his famous, and highly controversial, speech at the UNESCO Conference in Mexico City, in 1982. Responding to Jean Gerard – the U.S. Ambassador to UNESCO – who had defined U.S. cultural policy as a policy of freedom, Lang questioned. "which liberty? The liberty of the fox in the henhouse which can devour the defenseless chickens at his pleasure?" Also, Lang rhetorically asked the audience whether it would be willing to become vassal of the "immense empire of profit." On the significance of this speech and more broadly on Jack Lang, see – among others – Laurent Martin, Jack Lang, une vie entre culture et politique, Paris, Complexe, 2008 and Richard Kuisel, The French Way, How France embraced and rejected American Values and Power, Princeton University Press, 2013.

<sup>51.</sup> JD-2, Interventions de Jacques Delors sur les orientations de la Commission, "Les orientations de la Commission des Communautés européennes", p. 7. The text was presented by Delors at the European Parliament in Strasbourg, on January 14, 1985.

<sup>52.</sup> Delors often uses the metaphor. See for instance D-2, iI-85, "Les orientations de la Commission des Communautés européennes", *cit*, p. 5; also Intervention au 'Grand Jury' de RTL—"Le Monde" (03/02), *cit*, p. 59, the same metaphor is used to reinforce his opposition to any form of social dumping.

<sup>53.</sup> The epithet of "social engineer" is Delors'. He would frequently qualify his institutional and political role as such. Cfr: "Je me définis, si le mot n'est pas prétentieux, comme un ingénieur social. J'essaie toujours de voir où et comment on peut faire avancer les choses. [...] J'ai été choisi pour cette tâche pragmatique", in JD—25, I—85, A. Guatelli, Interview by the Corriere della Sera, cit., p. 44. Commentators have popularized the definition. See, for instance the article published by Esprit a month before Delors' investiture, JD—10, DP—84, "Propos d'un ingénieur social", December 1984.

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## 3. The European Community as an alternative modernity: Delors' proposals for change

#### **3.1.** The road to Social Europe

Delors' agenda for change pivoted on two principles: realism and solidarity<sup>54</sup>. The first compelled to accept structural reforms needed to adapt Western Europe to globalization. Convinced that market-liberalization and deregulation were inevitable, he called for a rethinking of the role of the State<sup>55</sup>. Hastened changes in telecommunications and new computing were undermining the possibility of state control whose inevitable retreat, in this sense, had to be de-ideologized. A forceful example was offered by some crucial but intangible components of high-tech sectors (software, programming, airwaves). It was simply unrealistic, he claimed, to think that their cross-border trade could be controlled or prevented. Contesting the ideological rigidity of the European debate on the clash between the public and the private, the state and the market in the regulation of the economy, Delors believed that the question was not whether the State should completely retreat or retain its prerogatives. The question was how to reform it in order to rescue it<sup>56</sup>. If Europe wanted to overcome the crisis and contribute to reshape the international economic system, it had to become a more effective and dynamic global actor, and power hinged on economic growth. Delors therefore signaled the centrality of economic integration as prerequisite for success: more monetary cohesion, more market, more economic output. The 1992 Initiative responded to these objectives aiming at suppressing all non-tariff barriers, harmonizing domestic legislation, opening public markets, closing the gap of indirect taxes<sup>57</sup>. A more integrated Community, increasingly unlocked to the outside world, would also be a space of technological innovation. On Europe's urgent need to catch-up in the technological competition, Delors would relentlessly insist. While the U.S. spending on research and development had increased by 30 per cent over the first five years of the decade, transnational European cooperation and investment was still very low. This is not the place to discuss Delors' support and engagement with EUREKA but it is clear that his perception of what Servan-Schreiber had hinted at twenty years before—"le défi américain"—was pressing and the challenge had to be transformed into an opportunity to seize. And yet, the response had to be endogenously engendered: "La solution ne réside pas dans l'imitation de modèles étrangers, qu'il soit américain ou japonais. L'Europe a la capacité d'inventer une voie spécifique."<sup>58</sup>. A reinvigorated economic community would be a place of sustainable economic growth, managed technological advancement; and it would be, first and foremost, an area of solidarity.

The second pillar of his design responded to what he perceived as an unquestionable demand for ethics to preserve the peculiarity of the European model. "We have to be faithful to our personality", he summoned<sup>59</sup>. The search for growth would be based on an increasing integration of original know-hows and on the support of societal and individual aspirations: more and better free time, defense of natural environment, new urban planning, enhanced quality of collective services, health and safety standards at work, equality of chances. The EC had to take a qualitative leap forward, domestically and internationally. At the European level the

JD—0201, II—90, Commémoration du philosophe chrétien Emmanuel Mounier, cit.
An interesting perspective on this is offered by B. Curli, "Il vincolo europeo': le privatizzazioni dell'IRI tra Commissione europea e governo italiano" in R. Artoni 9ed), Storia dell'IRI, vol. 4, Crisi e privatizzazione, Roma-Bari, Laterza, 2015, pp. 186-260.

<sup>56.</sup> Delors often recurs to his favorite metaphorical expression: "ne jetons pas l'enfant avec l'eau du bain", see for instance JD-12, DP-84, Interventions de Jacques Delors relatives au syndicat CFDT, 'Européens' par Jacques Delors, in "Cadres CFDT" (12/1984), p. 16: "[...] dernière question posée par l'innovation, après le comment produire et le mode de vie, c'est les relations entre l'individu et la société. Il y a dans les thèmes de la dérégulation, dans les thèmes de l'anti-État, il y a, si l'on n'y prend pas garde, si l'on cède aux effets de mode, il y a la démarche qui conduit à une conception très dangereuse des rapports ou de la place respective de l'individu et de la société. C'est tourner le dos à tout ce qui a été l'éthique du syndicalisme et de la pensée social-démocrate pendant des années, qui consistait à dire : l'individu a des droits et des devoirs, mais la société en a aussi. Et la civilisation européenne est la seule qui, par ses fondements, garantisse un fond commun, philosophique, qui attache beaucoup d'importance à l'équilibre tensionnel, dialectique, entre l'individu et la société ; alors qu'aux États-Unis, on penche plutôt vers l'exaltation de l'individu, alors qu'au Japon, malgré une vie familiale qui reste très protectrice, c'est la pesée de la société qui apparaît frappante. Donc, ne jetons pas l'enfant avec l'eau du bain, et voyons bien ce qu'il y a derrière les mots à la mode.

<sup>57.</sup> In Delors' inaugural speech, the reference to the 1992 Initiative was limited but well-articulated and sharp. During the previous tour of the European capitals, he had suggested alternative paths to re-launch the process of European integration: institutional change, a single currency or defense cooperation-but Delors has often claimed that it was only a way to show that those initiatives were not feasible. As a matter of fact, the bulk of his interventions—at least as documented in the Archive—focus predominantly on the single market. On the 1992 Initiative, see A. Sbragia (ed), *Euro-Politics*, Brookings Institutions, DC, 1993.

<sup>58.</sup> JD-32, I-85, Allocutions de Jacques Delors, presse; Delors' contribution to the Forum, Expo de Liasons Sociales, p. 3, and pp. 57–75; cfr. also JD-55, I-87, "Le Mal français : entretien avec Jacques Delors", in Autrement (01/1987), pp. 8–27. It is also the view shared by other participants to the Expo de Liaisons Sociales, in particular M. Sergio Sarzeni, direction générale des affaires sociales, de la main-d'œuvre et de l'éducation à l'OECE, p. 5. The President's stance was also reported by A.F.P. Washington, on 22/4/1985, JD-42, 1-85, p. 96.

<sup>59.</sup> He stresses this concept anytime he is called to reflect upon the European economic model. See, for instance, Delors's intervention at the Congress of the Left: "Message de Jacques Delors aux Congressistes de la Gauche Européenne", Strasbourg, 15–16/02/1985, in JD–26, 1–85, Gauche européenne, presse variée, p. 3

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heightened attention to social cohesion would have to tackle, necessarily, three main problems: first, the structural drawback of economic divergence between the rich core of Europe and its poorer fringes. It was therefore imperative to close the gap and financially support those regions suffering from late development or industrial reconversion. Second, an effort had to be undertaken to **modernize agriculture**, by reducing its cost while reasserting the centrality of rural advancement for the European Society. As Delors would make clear in an interview to the Wall Street Journal discussing the GATT talks: "the model of European society is not the same as the American model.... You can read all the history books on this subject, but farming has given shape to European society. It is an indispensable part of our lives ad it shouldn't disappear. There will be market, yes, but there will also be subsidies"60. Third, solidarity meant finding a solution to the plague of **long**term unemployment implementing strategies for life-long training, especially targeting the youth. There was, however, also an external dimension to the principle of solidarity<sup>61</sup>. The European reading of international rules and values translated into a specific interpretation of the North/South dialogue, epitomized by a more careful approach to the question of world debt and an effort to elaborate global Mediterranean policies. Across the iron curtain, such vision materialized in the progressive engagement of **Eastern Europe** into a web of enhanced industrial cooperation and cultural exchanges. However, despite its universal vocation, the discussion on the ESM remained primarily an intra-European affair. Particularly between 1985 and 1988while momentous transformations were unfolding a few dozen miles to the East—the Delors' Commission was almost exclusively focused on the internal market. The Soviet Union loomed in the distance and the "global south", while frequently named, was tangential to the overall process of transforming the European project. When Delors assumed the leadership of the European Community and delivered his first inaugural address, his vision unfolded in four interrelated themes to be inscribed within a "single framework": the completion of the single market, a full command of technology, economic and social cohesion, a "certain monetary capacity". Subtly, the first objective became the flagship of the Commission's proposal and the one to be fully attained<sup>62</sup>.

Despite prolonged quarrels of content and method, in February 1986 the member states of the European Community signed the **Single European Act**. Linking liberalization of the European market with procedural reform, it was the first major amendment of the Treaty of Rome. Incorporating 279 proposals contained in the Commission White Paper of 1985, the SEA aimed at creating an area without internal frontiers in which the free movement of goods, persons, services and capital would be ensured. At the institutional level, it introduced the wider adoption of qualified majority voting and granted the European Parliament two new powers mildly targeting the democratic deficit of the EC. Instead, on the question of economic and monetary union, it delegated competencies to a further intergovernmental conference. A limited and uneven number of articles were devoted to research and technological development, as well as to the environment and cooperation in foreign policy.

**Social Policy** was innovated with the introduction of two new articles<sup>63</sup>. Article 118A authorized the Council acting by a qualified majority in the framework of the cooperation procedure—to take the minimum requirements with a view to "encouraging improvements, especially in the working environment, as regards the health and safety of workers". Article 118B entrusted the Commission with the task of developing dialogue between management and labor at the European level. Both articles reflected the ambition of the Community to create a European social area through EC legislation and – this was the original feature – on the basis of agreements between the two sides of industry<sup>64</sup>.

To counterbalance the effects of the completion of the internal market on the less developed Member States and to reduce inequality between the regions, the Act also established a **Community policy of economic** 

<sup>60.</sup> JD—0222, II—91, Portrait de Jacques Delors dans la presse, "Jacques Delors on America, Europe and himself" in The Wall Street Journal, 08/03/1991, p. 3. The significance of the rural society for France, Europe and the European Community has been the subject of remarkable studies. See, for instance, A-C. Knudsen, Farmers on Welfare. The Making of Europe's Common Agricultural Policy, Cornell UP, Ithaca, 2009; K. Patel (ed.), Fertile Ground for Europe ? The History of European Integration and the Common Agricultural Policy since 1945, Baden-Baden, Nomos Verlag, 2009. On the "myth of the cultural centrality" of agriculture and its influence on CAP, see T. see Judt, Grand Illusion?, cit., pp. 18—24.

<sup>61.</sup> Cfr. JD—38, I—85, "Grand débat entre Simone Veil et Jacques Delors", cit.

<sup>62.</sup> A short by valuable account of the negotiation process that led to the signing and ratification of the Single European Act is offered by M. Gilbert, European integration, cit, pp. 117–141. On the negotiation, see A. Moravcsik, "Negotiating the Single European Act: national interests and conventional statecraft in the European Community", International Organization, Volume 45, Issue 1, January 1991, pp. 19–56.

<sup>63.</sup> Innovated, not invented. The creation of Social Europe is founded on number of provisions of the Treaty of Rome, various legislative measures and the case-law of the Cour of Justice of the European Communities. For an instructive synthesis, see S. Schirmann and P. Tilly, "Free movement of workers, social rights and social affairs", in É. Bussière, V. Dujardin, M. Dumoulin, P. Ludlow, J. Willem Brouwer, É. Palmero, *The European Commission 1973–1986. History and Memory of an Institution.* European Union, 2014, pp. 351–368.

<sup>64.</sup> Ibidem

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and social cohesion enabling the EC to intervene via the European Agriculture Guidance and Guarantee Fund (EAGGF) and the European Regional Development Fund (ERDF). When compared to the dispositions for the completion of the internal market, the provisions for social policy somehow pale<sup>65</sup>. Delors made no secret of his belief that the unexpectedly fast drive towards 1992-style business deregulation had pushed the Commission too far to the right and he resolved to a corrective swerve: a first step in what he would describe as a "Russian dolls strategy"<sup>66</sup>. Committed to ensure that the gains of the single market would be fairly distributed, he pursued incremental change focusing primarily on the reform of the **Community budget**. With the approval of the first **Delors package**, the EC was granted additional resources. While fiscal discipline set limits for the increase in agricultural expenditure, support for regional development was boosted<sup>67</sup>. Judt noted that while "in relative terms, the so-called "social element" in the EU budget was tiny-less than 1 percent of the European-area GNP-from the late eighties, the budgets of the European Community and the Union nevertheless had a distinctly redistributive quality, transferring resources from wealthy regions to poorer ones and contributing to a steady reduction in the aggregate gap between rich and poor: substituting, in effect, for the nationally based Social-Democratic programs of an earlier generation"<sup>48</sup>. While in the shortterm it definitely delivered on its promise—as the spectacular growth of Ireland and Portugal exemplified—in the longer run, the **redistributive capacity** of the EC has grown much more questionable<sup>69</sup>. But at the time, the EC engagement in the field progressed and the representation of Western Europe as "social actor" gained momentum. Indeed, the Commission pressed further the following year to put social rights at the heart of the Community's agenda. It was not a smooth process but the effort was eventually crowned by the adoption of the EC Charter of Basic Social Right for Workers: a non-binding but symbolic declaration of principles approved by the EC member states, with one predictable exception<sup>70</sup>. The United Kingdom was indeed resolutely opposed to any transfer of sovereignty in social policy. By 1989, the clash between the two visions of Europeneoliberal or "social", "Anglo-Saxon or Carolingian"-had reached the apogee. The legendary speeches delivered by Delors and Thatcher the year before perfectly epitomize this rift. On September 8, 1988—accepting the historical invitation of the British Trade Unions in Bournemouth-the President of the Commission defied the Conservative Prime Minister at home, placing the social dimension at the core of Europe. It was a defining moment in reconnecting the Labour Party with the continent's mainstream left, whilst stoking Thatcherite fears about "socialism by the back door". And Thatcher did respond, two weeks later from the pulpit of the Europhile College of Bruges. While indefatigably opposing supranationalism, the Prime Minister warned the fellow members of the EC that Great Britain would fight tooth and nail any anachronistic attempt to recast Europe in a world shaped by socialist principles. The Sunday Telegraph delineated the contour of the intra-European conflict emphasizing this particular aspect: "what is really at issue over the future of Europe is not supranationality versus nationality so much as capitalism versus socialism, or rather capitalism versus corporatism (...) Almost nobody wants a supranational European state, which is why Mrs. Thatcher did not need to attack it and was foolish to do so. But a socialist or corporatist Europe has very widespread support both here and on the Continent and unless Mrs.Thatcher fights this concept every inch of the way it could all too easily come about by stealth until it has reached the point of no return"<sup>71</sup>. The Wall Street Journal followed suit: "America needs to understand this debate. A defeat for Mrs. Thatcher's vision would prove costly for the U.S. There are, after all, some Americans buried besides Tommies throughout Europe"<sup>72</sup>.

The Dutch Foreign Minister, Hans van den Broek, defined the SEA as the best compromise between the "possible and the desirable", quoted in M. Gilbert, *European Integration, cit.*, p. 138
In his pursuit of regulated capitalism, Delors moved with gradualism. His strategy was to design a series of package deals to implement minor but decisive improvements, always having in mind the next round for the proposition and adoption of further measures. A strategy clearly explained by Ross in his *Jacques Delors, cit*.

The main beneficiaries—Spain, Greece, Portugal and Ireland—initially received the equivalent of 2 to 4% of their GDP. The second Delors package (1992) increased cohesion funding to €114 billion for the period 1994—1999. Delors said "Pour ces politiques de solidarité, la Communauté a decidé, pour vous donner un ordre de grandeur, de dégager en 5 ans plus d'argent qu'en avait fait le Plan Marshall après la guerre", in "Le défi moral européen", JD—407, II—91, p. 27. On the EC cohesion policy, see F. Barry, "Economic Policy, Income Convergence and Structural Change in the EU Periphery" in Kierzkowski, H. (ed., Europe and Globalisation, Palgrave-Macmillan, London, 2002. Also, A. Cappelen, J. Castellacci, and B. Fagerberg, (2003). "The Impact of EU Regional Support on Growth and Convergence in the European Union, Journal of Common Market Studies, Vol. 41. On Portugal, see S. Royo, "From Authoritarianism to the European Union: the Europeanization of Portugal", Mediterranean Quarterly 15, n. 3, 2004. On the case of Ireland, see F. Barry (ed), Understanding Irealnds Economic Growth, MacMillan, London, 1999; A. Matthews, Managing the Structural Funds in Ireland, Cork University Press, Cork, 1994. For a look on the East: D. Ost, The Defeat of Solidarity: Anger and Politics in Post-Communist Europe, Cornell UP, Ithaca, 2005.
Judt, Postwar, cit, p. 583

<sup>69.</sup> For a critical analysis of the evolution of the cohesion policy, see M. Jouen, "The Single Market and the Cohesion Policy Dyad: battered by the crisis and globalization", Policy Paper n. 108, 28/4/2014, Notre Europe; F. Vandenbroucke and D. Rinaldi, "Social inequalities in Europe: the challenge of convergence and cohesion, Policy Paper, 147, Notre Europe, See also S. Lolos, "Success and failure of economic policies: The experience of Greece and Portugal", in Comparative Economic Studies, Vol. 30, No. 1, spring 1998; L. Hooghe, Cohesion Policy and European Integration: Building Multi-Level Governance, Oxford University Press, Oxford, 1996.

<sup>70.</sup> On this, M. Thatcher, Downing Street Years, HarperCollins, London, 1993; On the significance of the EC charter, consider L. Magnusson and B. Stråth (eds.), A European Social Citizenship? Preconditions for future policies from a historical perspective, Brussels, PIE-Peter Lang, 2004

<sup>71.</sup> The Sunday Telegraph, 25/9/1988, in JD-74, I-88, Activité de Jacques Delors, presse, p. 90

<sup>72.</sup> The Wall Street Journal, 26/9/1988, in JD—74, I—88, p. 110



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Western Europe was not on the verge of a socialist revolution, as the following years would distinctly prove; and internationally, criticism and tensions would be more compounded by the fear of a "Fortress Europe", than of a "red state". Yet, Delors' imagery, his invocation of a particular idea of Europeanness, his championing of the common search for a societal fulfillment signaled that neoliberalism run amok in its pure form found (partial) support only in London<sup>73</sup>. His discourse pointed towards larger shifts in how Europeans imagined their society and their selves in an age of momentous changes. **"Favorable winds"** were blowing, the President of the Commission audaciously proclaimed<sup>74</sup>. At first a man on the defensive, he gradually became bolder, proactive and more prone to "Europeanize" lessons, recipes and prescriptions, to nurture optimistic expectations.

Such trajectory was enabled by several factors. First, **Delors' faith in the Single European Act** and the transformation it would unleash. Social harmonization was unlocked in the SEA and the EC governments had abided to its legal commitments. According to the President, it was in the self-interest of business and business-minded government to see the internal market program completed and it was very unlikely that they would derail the process. Gradually, social policy would expand. Second, key industries shared a **common concern about social dumping** and would be committed to support measures preventing easy flow of jobs from the North of Europe to the lower wage and less regulated South. Third, **the political climate had changed**: socialists governed in France, Greece and Spain; they shared power in coalition-governments in Italy and Belgium. On social policy, also West Germany was crucially aligned. At the Hannover Council of 1988 Kohl backed Delors for action on the social front<sup>75</sup>. Besides, the socialist Papandreu, González and Mitterrand would have served—one after the other—as President of the European Council granting coherence and strength to the project.

Almost everywhere throughout Western Europe, consensus had emerged on the possibility to give workers across the EC-minimum health and safety standards at work, the chance to participate in running their companies, greater job mobility, the possibility of life-long training, and certain guaranteed rights. This is how the achievements, however partial they might have been, were presented. By shoring up solidarity at the continental level, Delors had managed to turn the reform of the national Welfare State into an effort to forge an ambitious and comprehensive "European Social Model". Furthermore, by presenting his 1992 Initiative as a deliberate tool to redesign a new international economic order—contradictions notwithstanding—he shaped Europe's self-representation and perceptions in terms of normative power, promoting a rulesbound management of globalization<sup>76</sup>. On the way to monetary and political unification—with the momentous preparation and signing of the Treaty of Maastricht-Europe appeared to be on the march again. The collapse of the Cold War further boosted the confidence in the historic mission of the integration project. The largest economic unit in the industrialized world, it was increasingly seen as a superpower in the making. Germany was quickly reunited under the common EU roof and the hectic developments in the East were pushing the former satellites to line up at the door of the newly founded European Union. "Vers qui se tournent ces pays?", Delors asked, "Pas vers les États-Unis qui leur disent : nous envoyons nos boys and girls à la querre, alors ne nous demandez pas plus, ca nous coûte déjà 100 miliards de dollars par an. Les Japonais ? Ils passent entre les gouttes. Les pays de l'Est frappent donc à la porte de la Communauté"<sup>17</sup>. Embracing them was a historical necessity and a moral duty, and as such had to be confronted. With "realism, and solidarity", Delors restated.

<sup>73.</sup> In the years in question, opposition to Mrs. Thatcher reached its apogee not just amongst the general public but also, crucially amongst her fellow Conservative MPS. It would be the latter who engineered her fall in November 1990.

<sup>74.</sup> Reported by journalist David Buchan, see JD-74, I-88, p. 785

<sup>75.</sup> Overlooked by historiography, the Council resulted in a high-mark for European integration not only in the monetary sphere for the impetus towards the adoption of a single currency but also because it crystallized a convergence on social policy. A reappraisal of the Council (mainly for its impact on monetary unification) is put forward by Mark Gilbert in his original contribution "A shift in Mood: the 1992 Initiative and Changing U.S. Perceptions of the European Community, 1988–1989" in K. K. Patel, K. Weisbrode (eds), *European Integration and the Atlantic Community in the 1980s*, cit., pp. 243–264

<sup>76.</sup> In an interesting article, the economist Rawi Abdelal suggests that Delors' action should be seen within a framework encompassing the visions of two other Frenchman: Henry Chavanski at the Organization for Economic Cooperation and Development (OECD) and Michel Candessus at IMF. Leading those institutions, they designed what Abdelal calls the "Paris consensus", ultimately responsible for today's liberal international financial regime: "French and European policy makers have promoted a rule-based, 'managed' globalization of finance, whereas U.S. policy makers have tended to embrace and hoc globalization based on the accumulation of bilateral bargains. Once liberal rules were codified in the EU and OECD, they constituted the policy practices of 'European' and 'developed' states, for which capital controls are no longer considered a legitimate policy tool. During the middle of the 1990s, the IMF debated new, universal rules in favour of capital freedom, but the proposal was defeated, primarily by the U.S. Congress, after the financial crises of 1997–98. By then the vast majority of the world's capital flows were already governed by the EU and OECD', in R. Abdelal, "Writing the Rules of Global Finance: France, Europe, and Capital Liberalization", *Review of International Political Economy* 13, no. 1, February 2006, pp.1–27

<sup>77.</sup> JD-201, II-90, Commémoration du philosophe chrétien Emmanuel Mounier, cit., p. 10

While the member states were embarking on a historical process of enlargement eastward, the world was watching<sup>78</sup>. Anticipating the future speculation over a potential European Century and building on a growing understanding of Europe as one of the main winners of the Cold War—"a rising power among declining hegemons"—the American political economist Lester Thurow published a provocative book comparing the Japanese, American and European ways of life, crediting the latter for promoting a progressive "shift in mentalities"<sup>79</sup>. In his *Head to Head. The Coming Economic Battle Among Japan, Europe and America* he stated:

"While having been the slowest mover in the 1980s, Europe starts the 1990s with the strongest strategic position on the world economic chess board. If it makes the right moves, it can become the dominant economic power in the twenty-first century, regardless of what Japan and the United States do.... Since European countries represent both the communitarian and the individualistic strains in capitalism, the compromises necessary for the integration of Europe could lead to a mix and match of the best strains of both<sup>80</sup>".

The "if-question" proved ultimately crucial. Entering the 1990s, the "shift in mentalities" apparently didn't materialize, and rather metamorphosed into a **"shift in mood"** elaborate at the European and international level.

#### **3.2.** The Delors narrative: the significance of a vision

In 1992, Jacques Delors wrote the preface for the French translation of Head to Head, revealing titled La Maison Europe. Superpuissance du XXI<sup>e</sup> siècle<sup>11</sup>. Building on Thurow's arguments, he warned about the danger of a setback for the EU if it failed to live up to its ideal, if it compromised on its values. In the months running up to the ratification of the Maastricht Treaty, he constantly recalled that the new architecture of Europe pivoted on a triptych: competition-cooperation-solidarity: the latter should not fall prey of the first. And yet, it did. Delors' preoccupation turned into a self-fulfilling prophecy. In the long run, priority was given to the goals of fiscal convergence and monetary union at the expenses of "social Europe". Redistribution was outpaced by a rigid control of inflation along with capital and labor mobility. Mazower goes as far as to conclude that Delors gambled on Europe being able to enjoy both capital liberalization and enhanced welfare. And "he would turn out to be wrong"<sup>82</sup>. Whatever one thinks of this assessment, with the benefit of hindsight, it exposes a dilemma deeply felt by Delors himself. Already in February 1994, in an interview for the Italian newspaper L'Unità, the President of the Commission refused to be named the architect of Maastricht. He proudly claimed to be the father of the SEA, the 1992 Initiative and the financial packages (Delors 1 and 2), but he clarified that the final version of the TEU differed from the Commission's proposal<sup>83</sup>. Far from sponsoring its rejection, he vaunted its respect, but his eyes were resolutely fixed upon a much broader and more ambitious horizon. A "pessimist catholic who believes in sin", he acknowledged the limits and shortcomings of the new institutional and political architecture and pressed to envision corrective mechanisms. In his final appearance in front of the European Parliament, resigning after ten years in office, Delors delivered a subdued speech by the standards of the self-satisfied, bold, inspiring rhetoric of the previous decade. Accomplishments notwithstanding, it was not-the President admitted-"as much as I would have liked. We have an uncertain future, despite what we have achieved"<sup>84</sup>.

The future proved indeed critical for the European Union. Cracks in the European edifice had already begun to appear. **The crisis was manifold.** Despite being the (required) "fulfillment of a vision", **enlargement** posed a serious strain on the EU budget, questioned its institutional capacity, aggravated the difficulties in shaping a political, social and cultural cohesive union of European citizens. While Delors bowed out, transnational networks of **neo-liberal** intellectuals and managers in Eastern Europe challenged the very essence of the

<sup>78.</sup> In his interesting contribution "A Shift in Mood", cit, Mark Gilbert has mapped how U.S. perceptions of the European Community changed, between 1988 and 1989. His quantitative and qualitative analysis show how the 1992 Initiative contributed to such positive, remarkable shift.

<sup>79.</sup> L. Thurow, Head to Head. The Coming Economic Battle Among Japan, Europe and America , Warner Books, NY, 1993. On the subject, see also P. Kennedy, The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000, Randhom House, NY, 1987.

<sup>80.</sup> L. Throw, *Head to Head, cit*, pp. 251–253

<sup>81.</sup> JD—1733, II—92, *La Maison Europe. Superpuissance du XXI<sup>e</sup> siècle*, 08/1992

<sup>82.</sup> In his Superstate or New Market Economy, cit, John Gillingham is blunt: "In the futile attempt to realize his vaulting ambitions, he would be a catalyst to changes that (on the one hand) were more enduring and beneficial than anything he personally planned or directed but that (on the other) subverted the values he held and the policies he espoused. The Europe he bequeathed his successors was both economically more liberal and politically weaker than the one he tried to build", p. 157

<sup>83.</sup> JD—1894, Article de Jacques Delors in L'Unità (L'Europa sta andando alla deriva"), p. 4.

<sup>84.</sup> JD—1623, III—94, Intervention au Parlement européen, 14/12/1994

European Social Model probing its validity and endurance. In **foreign policy**, Europe swayed between invisibility and inability as the Gulf War and the breakup of Yugoslavia had shown. Abysmally incapable of acting as a unified actor, the EU tragic failure signaled that the "hour of Europe" was far from dawning so much so that by the end of decade America was still the "indispensable nation"<sup>65</sup>. As Federico Romero noted discussing the Kossovo crisis of 1999: "In many ways, [it] seemed to illustrate and epitomized the depth of Europe's internalization of the American world view"<sup>66</sup>. Pitted against the U.S., the *European model* as a whole appeared less appealing. On the economy, **Europe was in the shadow**. When Delors visited the Silicon Valley in 1985, it was not yet the driving force of U.S. economic growth. But throughout the following decade, the profound economic, technological, and organizational revolutions in the IT-industry shaped a new successful economy that contributed to re-launch American primacy. Transatlantic convergence on the alleged benefits of the knowledge-society influenced the transformation of the European social democratic project. The "Third Way/Die Neue Mitte" – as it was known at the time—became mainstream in the European debate, progressively shadowing and finally surpassing the call for a new euro-keynesian order<sup>87</sup>.

The west was apparently undivided. Then, as anticipated, came 9/11. And the Atlantic Community rediscovered the language of antonymic identity. In the intellectual and popular debates, as well as in the political discourse, Western Europe was held up as the place of a more "human, cohesive, communitarian, egalitarian" society.

Unfolding the developments of the EU is beyond the scope of this article and yet understanding the legacy of the Delors' years hinges on a flash-forward. Today Europe is, in *reality*, less social, less powerful, less legitimate that the one he tried to build. The euro-area unemployment stands at 10%, with huge regional differences: from the lowest 4% of the Czech Republic and Germany, to the highest observed in Greece (23.2% in July 2016) and Spain (19.3%). Rates of youth unemployment are even higher<sup>88</sup>. The aggregate GDP growth has never gone above 1% in the last ten years. And Brexit has shaken the foundations, and the consciousness of the entire continent. Furthermore, it's the "western world" – as a whole – to be perceived as engulfed in a time of crisis.

In 2009, historian Peter Baldwin published an interesting and controversial study<sup>89</sup>. Drawing on statistics on the economy, crime, health care, and education he argued that the Atlantic gap was not so wide, for the gulf between the U.S. and Europe was not larger than the distance between Stockholm and Athens, or San Francisco and Detroit for that matter. It's the "narcissism of minor differences" that nurtures the heated rhetoric on the clash between the *European and American ways of life*, he maintained.

And yet, narratives are made of narcissism. It doesn't delegitimize them; it nurtures them. Even if data suggested a closing of the Atlantic gap, they wouldn't dismiss the validity of the storyline based on the magnification of differences in a discourse of competitive self-representations. Furthermore, **narratives shape communities, legitimize politics and as such they serve the crucial purpose of binding individuals and foster their sense of belonging.** 

In October 2009, Tony Judt made his last public appearance on the stage of the Remarque Institute at the New York University. Struck by amyotrophic lateral sclerosis, he lectured from a wheelchair, blanket-clad, attached to a mechanic ventilator. "Literally a talking head", as he mocked himself, Judt grappled with the complex question of "what is living and what is dead on Social Democracy"<sup>90</sup>. A heartfelt defense of collective welfare, the lecture pivoted on its erosion. The tone bore no resemblance to the optimism of Postwar, and among the many different variables responsible for the state of crisis he signaled that the discursive weakness constituted a defining limit:

<sup>85.</sup> In the famous definition of Madeleine Albright, U.S. Secretary of State (1997–2001): "It is the threat of the use of force (against Iraq) and our Line-up there that is going to put force behind diplomacy. But if we have to use force, it is because we are America; we are the indispensable nation. We stand tall and we see further than any countries into the future, and wee see the danger here to all of us", NBC, Today Show (February 10, 1998)

<sup>86.</sup> F. Romero, "The twilight of American Hegemony", cit., p.1.

T. Blair, G. Schröder, Europe: The Third Way/die Neue Mitte, Labour Party, London, 1999. For a reflection on the transformation of the European Socialist Party, from eurokeynesianism to the Third Way, see P. Borioni, "Il Socialismo Europeo dalla Commissione Delors alla crisi politica dell'Unione", in S. Cruciani (ed), Il socialismo europeo e il processo di integrazione, cit., pp. 173-192
Bata undated on Sentember 2016. For a detailed explanation of Eurostatics, see http://ec.europa.eu/eurostat/statistics-explained/index.php/linemployment\_statistics

Bata updated on September 2010. For a detarted expansion of Euroscates, see http://ec.europa.euroanoscatssics expansion
Peter Baldwin, The Narcissism of minor differences: how America and Europe are alike: an essay in numbers, Oxford UP, New York, 2009.

<sup>90.</sup> His lecture on "What is Living and What is Dead in Social Democracy" was subsequently expanded and published as Ill Fares the Land, cit.

For the lecture, see http://www.nybooks.com/articles/2009/12/17/what-is-living-and-what-is-dead-in-social-democrac/, last consulted on November 10, 2016.

"we simply do not know how to talk about these things anymore". What was needed was a "new language of politics". The discourse that would save social democracy, Judt concluded, is a "moral narrative".

The crucial significance of the European Social model must be understood in this light. As the endeavor to forge consensus, build a sense of belonging, provide legitimacy to a political vision and its underneath discourse. Its value lies also in the European "narcissism": in the self-satisfied and proud identification with European values, however elusive their definition is. It lies in the mutual self-perceptions and representations that have shaped U.S. and European identities in an allegedly "divided West"<sup>11</sup>. As we have seen, the ESM resulted from a compromise between neoliberal pressures, the Social-democratic heritage and Christian social-thought. Neither always consistent nor effective, it has long been the target of detractors from the Left and the Right alike. But if Delors failed to deliver on the promise of building a just Europe in absolute terms, he nonetheless succeeded in crafting an "uplifting tale" for the old continent that mobilized idealism and transcended the material. Delors solicited intellectuals to contribute to this narrative; he gambled on the success of the Erasmus program to engage the youth; he supported the politics of culture of the European Union to make a certain idea of Europe authoritative<sup>92</sup>. He preached against the "cult of nostalgia" engulfing European societies and depicted the path to integration as an essential search for progress, defined primarily in socio-economic terms. He incited the citizens throughout the continent to take a leap forward and boldly project themselves into the future: "to find Europe is to build Europe"<sup>93</sup>. His was a deliberate and conscious effort of identity (i.e.: EU)-building. His intellectual construction contributed to draw the boundaries of Europe's distinctiveness and turn the imagined Europe into a project for the modern future: the Europeans may not be living in a superior, egalitarian, cohesive and morally commendable society, but they are bound by a mission to move towards it. This is what defines them, he claimed, as a "civilization". As the intellectual debate of the early 2000s reveals, overtime, his "moral narrative" has proved perhaps more pervasive than his political achievements. How resilient it will be is an open question in this age of turmoil, but reflecting on its relevance might be a new point of departure for European social democrats.

<sup>91.</sup> The Divided West is the title of the popular book by Jürgen Habermas who, reflecting on the repercussions of the war in Iraq, saw the widening of a deep fissure in the western world, no longer united in a transatlantic community of values and norms.

<sup>92.</sup> This is not the place to discuss Delors' influence on the politics of culture but it offers a very interesting perspective to observe how he undertook the effort to shape European identity.

<sup>93.</sup> JD-201, II-90, *cit* p. 10

## 4. What is left?

Thirty years into the single market, and in the midst of seismic shifts within the EU and beyond, one is left to wonder what is left of Delors' championing of Social Europe. Is the foundational triptych – *competition that stimulates, cooperation that strengthens, and solidarity that unites* – still valid?<sup>94</sup>

The current state of crisis exposes the limits of the past and it definitely imposes a critical reflection on the shortcomings of the integration process. While there is an urgent need to devise innovative strategies and original instruments to deal with new challenges in an ever-globalizing world, the tenets of Delors' vision seem to endure.

What is left is the power of a vision of progress as socio-economic advancement for all. And the awareness that without it, the integration process is doomed. There is finally one important lesson: that need to anchor policies to powerful narratives, because narratives underpin and bind communities, they inform and shape politics, they stir a sense of belonging and as such they gain relevance.

The Delors' Commissions crafted one, which could be revived and expanded. Once again, adopting a transatlantic perspective can be illuminating. Discussing the unexpected and shocking election of Donald Trump as 45th President of the United States of America in the *Guardian*, Owen Jones wrote: "In his seminal book, *Don't Think of an Elephant!*, the U.S. political linguist George Lakoff said voters were motivated above all else by "moral identity and values", even if that meant voting against economic self-interest. Progressives, by contrast, believed that yelling the facts would somehow bring people round. But human beings are emotional creatures. We want emotionally compelling stories. We need to project an emotionally compelling vision".

#### Because now we know that stating the facts and hoping for the best will not blunt the forces of reaction or demagogic populism.

"We must redouble our efforts. From the U.S., we see what tragedy occurs in a vacuum".

## An emotional narrative is what Europe, and its unity, needs and has instead been lacking. Reading Delors is a good reminder of it.

94. The question was at the core of the debate during the seminar "Giving a new impetus to the Union? For an improved Single European Act: 1986–2016", organized by the Institut Delors and held in Brussels on 8 December 2016.

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SSN 2256-994